Association of Universities and Colleges of Canada | Association des universités et collèges du Canada

Election 2000

Hot university issues

Check out our election backgrounders for more details on key issues facing our universities.

University infrastructure

Canadian universities face at least $3.6 billion in accumulated deferred maintenance – the consequence of years of cuts that have forced institutions to put off campus repairs and renewal.

The Association of Universities and Colleges of Canada is calling on political parties to commit to providing new funding for a national university infrastructure program.

International Education

Helping students to undertake part of their studies in another country brings a wealth of economic and social benefits -- for students and employers alike.

The Association of Universities and Colleges of Canada recommends that the federal government take a leadership role in international education by creating a major study abroad fund.

University research

Research and innovation are keystones of prosperity in the knowledge economy. In a world increasingly dependent on learning and knowledge, public investment in university research has become a determining factor of our success and strength as a society.

The value of a broad undergraduate education

Getting a university degree pays off – no matter what subject you study. In fact, a broad university education is often the foundation for success in today's workplace.

University funding

Since 1993 government support for universities' teaching and research activities has declined by 13 per cent in real terms on a per student basis. In contrast, government support in the United States has increased by 20 per cent in real terms over the same time frame.

Compounding the current challenges, the Association of Universities and Colleges of Canada expects a 20 per cent increase in enrolment between 2000 and 2010, and this figure could be considerably higher if the capacity were available in the institutions.

For more information on university issues, consult our brief Toward a learning society, a learning economy: an action plan for Canada.

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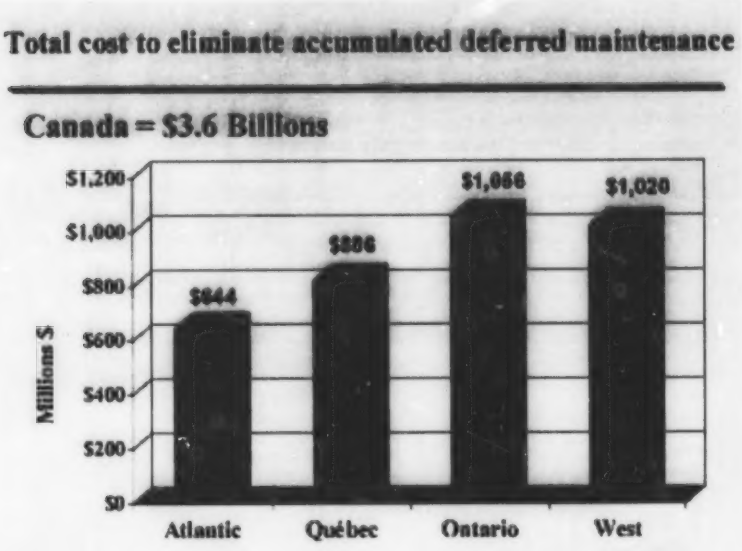
Backgrounder: University infrastructure

Universities are facing mounting costs for repairs to classrooms, residences and other buildings on campus, according to a recent report. The report, which was commissioned by the Canadian Association of University Business Officers and conducted by an independent consultant, indicates that the tab for accumulated deferred maintenance on our university campuses has now reached at least the $3.6 billion mark.



Moreover, at the same time as campuses face mounting repair and renewal bills, they are also being asked to invest heavily in new learning technologies in order to enhance the student experience and ensure that today's students receive training in much-needed technology skills.

And all of these demands come at a time when enrolment is expected to skyrocket – universities will need to find resources to expand their infrastructure to meet growing demand, with enrolment anticipated to increase by 20 percent between 2000 and 2010.

Without new government investment in infrastructure, our universities will be at the breaking point.

Indeed, according to the CAUBO report, about $1 billion to $1.2 billion of the repairs and renewals now needed by Canadian universities is considered urgent, meaning that the conditions should be attended to in the very near future to avoid further deterioration and increased costs. The tab for deferred maintenance amounts to about $5,561 for every full-time equivalent student enrolled at a Canadian university.

University officials say a history of funding cuts have forced institutions to cut back on repairs and renewal. "Sharp declines in government operating funding over the past decade have led to the situation we find ourselves in today", said Robert J. Giroux, president of the Association of Universities and Colleges of Canada. "Governments must be prepared to act quickly to address deferred maintenance requirements on campus or risk even higher costs into the future."

In fact, the backlog of maintenance repairs and renewal comes because universities have often been forced to make tough choices between providing education to students and fixing campus facilities. At a national level, government support for university core operating budgets on a per student basis is 16 percent less today in real terms than it was in 1992. At the same time, high inflation and energy costs in the 1980s squeezed resources available for capital upgrading and renewal.

The ratio of deferred maintenance to the cost of replacing the physical infrastructure on university campuses is over 60 percent higher in Canada than it is in the United States, and is two to four times higher than generally accepted guidelines.

The impact of deferred maintenance is visible on every campus across Canada. Deteriorating campus infrastructure leads to greater health and safety concerns for students, faculty and staff living and working on campus. Deferred maintenance means classroom and laboratory space may not be fully utilized – at the very time when enrolments are expected to surge. Run-down student residences can disrupt the day-to-day living of students; specialized research equipment can become easily damaged and can hamper students' ability to learn on specialized equipment; and students with special needs may be unable to fully take part in the university experience.

At the same time, the expanding use of information and communications technology in learning puts an added stress on our campuses. In order to fulfill their teaching and research missions, universities must acquire a wide range of resources including software, fibre optic hook-ups, broadband requirements, and terminal outlets – in short an "infostructure" for the 21st century.

AUCC is calling on political parties to commit to the creation of a

national university infrastructure program in order to address the serious problems faced by our institutions, now and into the future.

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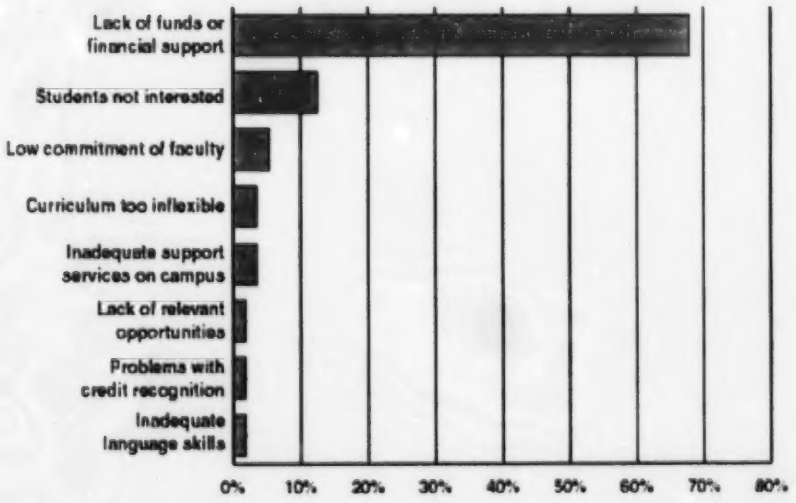
Backgrounder: International education

Students gain tremendous benefits from studying abroad during their university years, according to a recent study by Goldfarb Consultants. The study interviewed a number of Canadians who've studied abroad, as well as their employers. Graduates of study abroad programs reported a positive impact from their experience, including developing greater self-confidence, a more tolerant attitude and a strong sense of personal motivation, as well as an exposure to "best practices" in other countries. They also noted that they had gained a greater cultural sensitivity and knowledge -- all important skills in a multicultural, globalized world.

Barriers to participation in study abroad experience



Source: AUCC, Progress and Promise: the AUCC Report on Internationalization at Canadian Universities, 2000

Employers, for their part, said that study abroad experience

makes job applicants stand out from their peers throughout their careers. In fact, a recent Ekos Research poll of Canadian business executives rated "a cosmopolitan world view" as one of the top three skills needed by future corporate leaders.

Yet Canada is falling behind in offering our students the opportunity to study or spend co-op work terms abroad as part of their university experience. Less than one percent of Canadian students study abroad. The European Union, meanwhile, sends eight percent of students on short-term exchanges, and Australia sends four percent. The G-8 education ministers, for their part, recently made a commitment to double the number of students going on international exchanges.

Canada currently spends less than one dollar per person per year on international mobility, an amount which is far less than our key OECD competitors. That's significant, because AUCC research shows that a lack of funds to cover the cost of travel and living outside Canada is the single most significant barrier that students face in taking on study abroad.

That's why the Association of Universities and Colleges of Canada is calling on the federal government to create a major study abroad fund, which could provide small-scale incentive grants to students wanting to study or do co-op placements abroad. Students could combine these grants with their own resources, as well as funding from their universities. AUCC believes the initial target for study abroad should be 10,000 students, representing one percent of the total postsecondary student population – a figure that would put us on the right track compared with other OECD countries.

"Given Canada's growing diversity, and the expanding range of economic, social, environmental and cultural issues that require cross-border solutions, it's crucial that young Canadians have the chance to broaden their horizons through study abroad," says Robert J. Giroux, president of the Association of Universities and Colleges of Canada. "This is particularly important in Canada – which relies more on trade than any other major industrialized country – so that we can flourish and compete successfully in the global knowledge economy."

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Backgrounder: University research

Public investment in university research

Research and innovation are keystones of prosperity in the knowledge economy. In a world increasingly dependent on learning and knowledge, public investment in university research has become a determining factor of our success and strength as a society. Universities are major players in our national research and innovation effort both by conducting state-of-the-art research and by training the next generation of scholars and researchers.

The face of university research has changed dramatically in the past 10 years. After a steady decline of the federal government's role in supporting university research, Canada has started to re-invest in research, innovation, and graduate student support. Taken together, the creation of the Canada Foundation for Innovation in 1997, the restoration of funding to the federal granting councils in 1998, and the establishment of the innovative Canadian Institutes of Health Research in 1999 and the Canada Research Chairs in 2000 have transformed the funding landscape for university research in Canada.

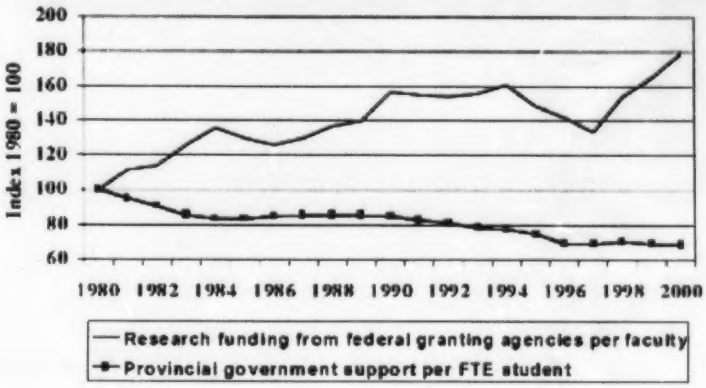
Despite this shift of fortune for university research, our universities are encountering serious difficulties in maintaining their research capacity. In the past 20 years, research has become more complex, more global and relies increasingly on research teams. It requires sophisticated and specialized facilities. New implications for health, public safety, animal welfare, environment and ethics add complexity and obligations on our universities. Meanwhile, our international competitors in research are not standing still.

Addressing the funding gaps

Canada's universities are in a paradoxical situation: the more a university conducts research, the more it experiences difficulty in meeting its other obligations. The reason is simple: in Canada, the federal funding agencies pay only part of the costs of doing research. Even though such costs can be substantial, the indirect costs of research -- those facilities and institutional costs incurred by universities when performing research funded by the

granting councils -- are not covered by the federal funding agencies. This situation not only creates stress on other important university functions but also hurts our international competitiveness, since indirect costs are part of the normal research funding system in the U.S. and many other countries. This is a fundamental funding gap and the importance of addressing it cannot be overstated. Funding for the indirect costs of research would have a huge impact on the capacity of our universities to compete successfully internationally. For that reason, the Association of Universities and Colleges of Canada urges the federal government to fund the indirect costs on the research it sponsors in universities.

Without indirect cost the widening funding gap creates additional stress on all university functions



In the new economy, the importance of a healthy and diversified national innovation system cannot be over-stated; the capacity for creating next-generation ideas and putting them to work is a key determinant of the health of regional and local systems of innovation. In Canada, universities are the pillars of those systems, a net competitive advantage over many other countries. However, as the federal 2000 budget noted, "not all institutions of higher learning nor all regions of the country have the same capacity to exploit the opportunities that have been created. Efforts must be made to ensure that the government's plan for innovation and skills can benefit Canadians in all regions". This is important because, in a knowledge-based society, no region or group of institutions has a corner on the market of good ideas. They can, and should, come from anywhere in the country. However, experience shows that smaller institutions confront on-going difficulty in developing research strengths that enable them to be competitive in the national competitions of the federal granting councils. This prevents them from playing their unique role in the country's national and regional systems of innovation. The federal government has acknowledged that this is a problem and efforts are being made to take it into account in funding allocation

under the Canada Research Chairs program. However, a more comprehensive solution is needed. This is why the Association of Universities and Colleges of Canada is recommending that the federal government introduce a targeted initiative to address in a sustainable way the problem of research capacity in small universities across in the country.

As to the direct support of research by the federal granting agencies, there is no doubt that Canada continues to fall far behind other countries, particularly the U.S. While Canadian researchers welcomed the restoration of granting council funding to previous levels in 1998, many nations have demonstrated their commitment to research and innovation through sustained increases over the years. Nobody has shown more faith in their university research system than the U.S., where basic research conducted in universities is a top government priority. Increases to the National Institutes of Health in the past two years alone represent more than four times the total annual federal investment in university research in Canada. And this will continue, as both U.S. presidential candidates have committed to continue the spectacular rise in federal funding for university research. The sustained rate of funding increases in the U.S. makes it difficult for Canada to close the funding gap and eventually catch up. Addressing this funding gap will require an ongoing commitment to research.

"The new economy is a learning economy, " says Robert J. Giroux, president of the Association of Universities and Colleges of Canada. "Significant and sustained growth in university research funding must be a central priority to any government interested in forging a sound learning society and a prosperous learning economy."

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Backgrounder: The value of a broad undergraduate education

Getting a university degree pays off – no matter what subject you study.

In fact, a broad university education is often the foundation for success in today's workplace. There seems to be a growing impression these days that more specialized vocational or technical training is the key to finding a job -- but that simply isn't true. Some observers fear, though, that universities are not getting the support they need to ensure the health of the broad undergraduate experience.

That's certainly the view of some 30 leaders of Canadian high-tech companies, who recently released a statement in support of a broad general undergraduate education.

"Funding of higher education in this country needn't be an either/or proposition between technology or liberal arts and sciences, as public debate suggests," said the CEOs, who included the heads of Cisco Systems Canada, BCE Inc., IBM Canada, AT&T Canada and Sun Microsystems of Canada. "It is critical that all universities in Canada receive sufficient funding to ensure a well-educated workforce and a new generation of leadership."

In fact, many Canadians agree with the CEOs' message. In a recent opinion poll conducted by Environics Research Group for *The Globe and Mail*, 68 percent of Canadians agreed that a bachelor of arts degree is still valuable for today's graduate. Canadians aged 45 to 59 -- who generally have the most experience in the work force – were more likely to see the value of an arts degree. Almost three-quarters of them said that an arts degree is still valuable today.

In the United States, too, the value of a broad education is widely recognized. A recent survey of American workers found that the kinds of general skills they would gain in a broad undergraduate education – such as communications and critical thinking – were more important than specific job skills such as computer competency.

About half of Canada's undergraduate university students are enrolled in programs that are more general and do not lead directly to a profession – programs such as languages and literature, history, biology, chemistry, philosophy, economics or communications. Another 12 percent are enrolled in faculties of education and just over two percent in law, usually after completing a general degree.

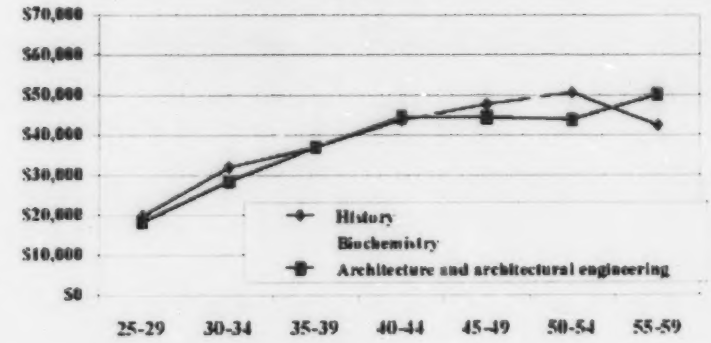
Graduates from such programs are highly employable in a wide variety of fields. Indeed, despite the widespread impression that college and technical graduates get the jobs these days, the unemployment rate for university graduates from the humanities and social sciences is consistently lower than for those who have college and trade diplomas.

As Robert Allen, a labour economist at the University of British Columbia, concluded in a recent study, the public's image of liberal arts and sciences graduates as "unemployed PhD's and literature majors serving cappuccinos" simply doesn't square with reality. The kinds of jobs that humanities and social sciences graduates get range from management, business and finance -- a full 35 percent are employed in such fields -- to government services, law, psychology, sales, or health occupations.

It's clear, too, that salaries of graduates with a general education keep pace with those of students in professional fields. Again, Dr. Allen's study is one of a number that confirms this: he found that the pay for most liberal arts graduates far outstripped that of the average graduate from a technical program.

And broad undergraduate degrees pay off throughout the graduates' lifetime. The average history graduate, for example, has a similar earnings pattern and salary level to graduates in architecture or biochemistry.

Undergraduate education pays off



Source: Statistics Canada Census 1996

As Liviio Di Matteo, a professor of economics at Lakehead University notes, the age-income profile of graduates in the humanities and social sciences can actually be better than those in the sciences or technical programs, because "the latest technical knowledge depreciates quickly. . . . Like fine wine, humanities and social sciences graduates appreciate with age as their skills deepen, generating a steeply rising income over their working life."

Employers clearly value the kinds of skills students gain through a broad undergraduate education in the liberal arts and sciences. A broad general university education prepares students not only for the work force, but also for the challenges they will face throughout their lives. Such an education helps students learn more about how to solve problems and find solutions, think critically and creatively, communicate their ideas persuasively, work in teams, and make effective decisions.

Those attributes, more and more, are required in today's workplace. Take, for example, the advice provided on the Web site, Ask the Headhunter which says, "More than they realize, people with liberal arts backgrounds have readily identifiable skills that can be directly applied to solve business problems in Internet-related businesses including new media, e-commerce, enterprise planning and software development."

The comments would come as no surprise to the executives at UBI Soft, a high-tech video game company that employs some 400 people in Montreal. Only 25 percent of that company's employees have a technical background, while about 150 employees come from a creative, liberal arts background, including graduates of programs such as history, philosophy and literature. Company officials attribute the firm's success to the "remarkable quality and originality" of these 150 employees.

The Association of Universities and Colleges of Canada encourages all Canadians to recognize the value of a broad general undergraduate education. "It's important for high school students and their parents to know that a broad general undergraduate education gives you useful skills and prepares you well for a career in a multitude of fields," says Robert J. Giroux, president of the AUCC. "And it's important, too, that governments recognize this fact in funding our universities."

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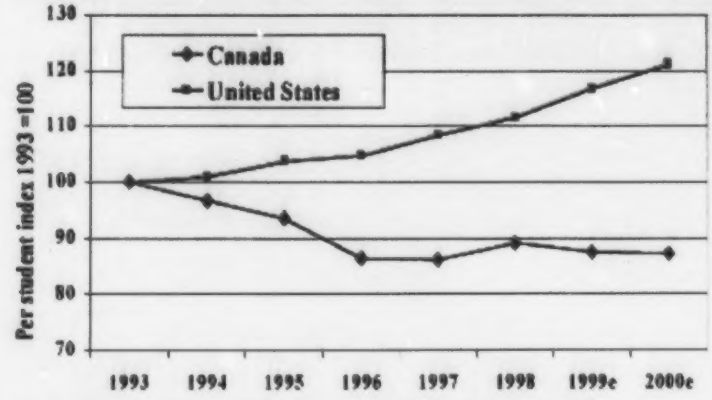
Backgrounder: University funding

Since 1993 government support for universities' teaching and research activities has declined by 13 per cent in real terms on a per student basis. In contrast, government support in the United States has increased by 20 per cent in real terms over the same time frame. Compounding the current challenges, the Association of Universities and Colleges of Canada expects a 20 per cent increase in enrolment between 2000 and 2010, and this figure could be considerably higher if the capacity were available in the institutions.

Index of government support to higher education



Data includes government support for universities' teaching and research activities
Canada: Data for 1999 and 2000 are estimates
US: Data from 1995 to 2000 are estimates

"Canada's universities are at a major competitive disadvantage relative to our American counterparts," says Robert J. Giroux, president of AUCC. "We need to ensure that governments invest in the fundamental health of our universities."

Why does this matter? If Canada is to thrive in the new economy we need to promote access to higher education in all fields and to ensure the quality of higher education in Canada. Universities play essential roles in their communities by providing higher educational learning opportunities and by empowering their communities to be successful players in an international knowledge society and economy.

The federal government has acknowledged that it is important in the new knowledge-based economy that Canadians have access to high quality postsecondary education. The provinces are the primary source of government operating funding to universities, but the federal government also has an important role to play, not least through the Canada Health and Social Transfer to the provinces in support of postsecondary education, health, and social assistance.

As part of its attack on the deficit in the mid-1990s, the federal government implemented deep cuts in the CHST cash transfer, and these contributed to the funding problems facing universities. These problems are manifested in a number of ways. A recent study by the Canadian Association of University Business Officers identifies $3.6 billion in accumulated deferred maintenance on capital facilities at Canadian universities. Between 1992 and 1998 Canadian universities lost almost 4,000 faculty members to cutbacks, and it is estimated that by 2010 it will be necessary to hire almost 30,000 new faculty to address past losses, projected retirements, and enrolment growth.

Since balancing its budget the federal government has announced significant increases to the cash component of the Canada Health and Social Transfer. For the most part these increases have been tied to commitments by the provinces and territories to boost health care funding, although the 2000 federal budget stated explicitly that the CHST is also meant to support postsecondary education. Over the past two years, provincial funding of universities has begun to move in an upward direction, though to varying degrees by province. However, there is still a great deal of lost ground to be made up.

It is essential that the next federal government turn its attention to the funding challenges facing Canada's universities. Healthy institutions are essential to the success of the important research, innovation, and accessibility initiatives undertaken by the federal government over the past four years.